

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
July 2003**

DATE: August 13, 2003

TO: All Civil Service/Exempt Departments

FROM: State Controller's Office
Don Ward, Manager
Personnel/Payroll Operations
(916) 322-8805

RE: PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES

This recaps the July 10, 2003 Personnel/Payroll Review Committee (PPRC) meeting and provides information for the August 14, 2003 meeting.

We would like to thank those department representatives that participated in the July meeting for their time and effort. There were 50 representatives from 38 departments that participated in this meeting.

Personnel/Payroll Review Committee
July 10, 2003 Meeting Notes

The meeting was called to order at 1:30 by Don Ward.

Departments represented:

Aging, Air Resources Board, Alcohol and Drug Programs, CA Highway Patrol, CA Integrated Waste Management, CalPERS, CA Student Aid Commission, Consumer Affairs, Corporations, Developmental Services, Earthquake Authority, EDD, Environmental Health Hazard Assessment, Financial Institutions, Food and Agriculture, Forestry and Fire Protection, Franchise Tax Board, General Services, Health And Human Services Data Center, Health Services, Housing and Community Development, Insurance, Lottery, Motor Vehicles, Parks and Recreation, Rehabilitation, Secretary of State, State Controller's Office, State Personnel Board, Statewide Office of Health Planning, Teale Data Center, Toxic Substances Control, Transportation, Treasurer's Office, Veteran's Affairs, Water Resources, Water Resources Control Board, Youth Authority.

Old Business:

None

New Business:

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Agenda Items

Distribute Handout Materials

Approve Prior Meeting Notes

Guest Speakers

SCO Update

Department Issues/Concerns

Confirm Next Meeting Agenda, Time and Place

Discussion:

Approved June 2003 meeting notes.

Guest Speaker(s): Lisa Losh, PPSD's Security Administrator, addressed several common security violations and provided suggestions to reduce the number of incidents. Lisa also requested assistance in sharing this information with co-workers that use the SCO system.

One of the top security violations occurs when staff are attempting to verify the status of an employee as to whether they are still employed at their department. They enter the SSA# in the "HIST" portion of the EH Inquiry screen. If the employee is no longer employed by your department, you will get an error message that you "are not authorized to this record". Every time this error message appears, a security violation is logged. If a department is doing research where they are checking multiple records to see the status of the employees, they will accumulate numerous security violations in a short period of time. A security violation report is generated from SCO's Information Security Office requesting an investigation. Contact is then made to the designated department to request that they investigate and report their findings. This is a very cumbersome and time consuming process for all involved parties that can be avoided.

The desired method for verification should be the use of the "PSN" portion of the EH screen. There are no agency restrictions in this area, and when an SSA# is entered, it will provide you with the employee's current position number and will not generate an error message. You can verify whether the employee is yours or at another department by the Agency Code in the position number.

Question: If you enter an SSA# and it says "no record found" do you still get a security violation?

Answer: No, only when you get the error message "you are not authorized to this record". The error message generates because the employee belongs to another department which you are restricted from accessing and then logs the attempt to access that record as a security violation. If the SSA# is not for a state employee, then no violation is logged.

The second type of security violation has to do with PIP batches.

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If a PIP batch is opened and saved, but the batch number is not recorded for future use, you will get a security violation when you use an incorrect batch number to reopen a batch to key more transactions or close the batch for processing. Typically, we find that users attempting to locate a batch number will use another batch recently used, and then move up or down numerically through the batch numbers looking for the one they need to reopen. The PIP system assigns batch numbers in the order they are opened, so another department will likely own the numbers immediately before and after the one assigned to you. When you start entering batch numbers and the number belongs to another department, a security violation will be logged. Instead of doing a numeric search for the batch number, you can use the PIP Batch Directory list to identify your batch numbers. The Directory can locate a batch either by userid, by SSA# or by Agency Code. This method works for both preload and scratch batches. If you need instructions on how to get to the PIP Directory screen, refer to PPM Section K 400 or call Payroll Liaison at (916) 323-3081.

Reminder: It is also a security violation if you share your user ID and password or allow someone to use your access. We know this happens a lot when you have someone in training. Specifically, you allow this person to work using your access while waiting for their own system access, but this is still a serious security violation and can result in suspension. The penalty for sharing user IDs and passwords is a 30 day suspension of access for both staff.

Every Personnel Office that has access to the SCO systems has a security monitor. This monitor is your resource for questions about what is or is not appropriate, and is your first line of contact for security issues and directions. The security monitor also has the PPSD decentralized security manual.

Question: When should we end an employee's access if they are leaving our department?

Answer: You should always immediately delete someone's access, not only if they leave the department but whenever they are no longer performing duties that require them to have access. This can be due to a promotion or a transfer to another area within the same department. The process is to complete the Security Authorization Form, PSD 125A, requesting deletion of that user. However, if you have any reason to want the access to be removed immediately, you can have your security monitor call Lisa and we can revoke the access right away. A PSD 125A still must be submitted to request the actual deletion of the user.

Question: I have been in a position where I was instructed, by my supervisor, to give my password to another employee. What can/should I do in a case like that?

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Answer: Remind your supervisor that you signed a security agreement with the SCO, that you have read and understand the policies for access and that one of those policies is not to share or divulge your password to anyone. If they still insist that you share your password, you should address it with your security monitor and your Personnel Manager. In any case as soon as you can you should change your password. You can also bring it to Lisa's attention and she will investigate and discuss with the Personnel Manager the importance and requirement of not sharing as well as protecting your identity.

Question: Who can get access to the SCO systems? How long does it take?

Answer: The Personnel Specialist is granted, by class code, access to the on-line systems. However if access is being requested for an OA or an Analyst, we would need a letter of justification for the department Personnel Manager describing the employee job duties. For example; a labor relations person, even though they may be working under the personnel umbrella, would not be working personnel/payroll transactions and would therefore not be granted access to the system. There are three very important audit verification requirements that must be met before PPSD approval can be granted. The first is the employee's Statement of Understanding Form, PSD108, secondly we use Employment History to verify that you are an employee of the department requesting access and the last item is your classification. The SCO system is restricted to the Personnel Specialist classification. The PPSD systems are for the express purpose of allowing the Controller to fulfill his responsibility in paying state employees, remitting taxes and retirement contributions among other like activities. The process of granting access to the SCO systems has a 10-working day turnaround. The Security Monitor at each department maintains the Security Authorization Form, PSD 125A which is the vehicle used to request on-line system access for an employee.

One reason for delays in granting access may be that you submit the 125a early in the month when the employee begins working for your agency, but you do not key the appointment transaction until just before cutoff. Lisa will hold the 125a in pending for 30 days and she will verify employment history daily. If EH is not updated in that time frame then we will return the 125A. So, if you are waiting to get access for an employee key the necessary EH transactions as soon as you can.

Additionally, the system is available Monday through Friday from 7 AM to 6 PM. Over the years some staff have been given access at 6 AM. We will be giving everyone this 6 AM access but we want to ensure that everyone understands that though the system appears to be up and running at 6 AM, all the various routines and processes may not be running/fully operational

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until 7 AM.

If you have any questions regarding this information or other security related issues, contact Lisa Losh at (916)324-5879 or via email at llosh@sco.ca.gov.

Cheryl Salvador, CalPERS Actuarial & Employer Service Division provided the following information. There is a new CalPERS online publication called CalPERS eNews. It is sent twice a month to people who subscribe online at www.calpers.ca.gov/enews/enews.asp. You can read about the service at: www.calpers.ca.gov/whatsnew/press/2003/0619a.htm.

A Health Plan Statement will go out to all employees in late August or September advising them what Health Plan they are in, who is enrolled etc. We will not be sending out the Open Enrollment Packages this year. If a member needs to receive a package they will need to request it from CalPERS by completing a "Request for 2003 Open Enrollment Packet and/or Additional Information" form that is attached to the Health Plan Statement.

Question; Why is CalPERS making this change this year?

Answer: The reason for the change is that the rates were not finalized until late June and it did not allow time for the preparation to be done in time for the normal mailing.

The new revisions to the State Handbook will be mailed out in the next few weeks. The 505 section table that is included is good through 6/30/2003. For any appointments, changes, etc. that are effective 7/01/2003 or later, please refer to the SCO Personnel Letter #03-007 dated June 27, 2003 for a possible new account code. Please note that not all account codes changed 7/01/2003.

SCO Update:

System Access: We had a problem today (July 10,2003) in running the semi-monthly master payroll for July. As such, it required us to take the system down early this morning to resolve it. The problems were identified and corrected and the system and the on-line access were available early this afternoon. Typically, we try and get a CICS message out as soon as we can so when you logon to the system, you are informed.

Vacant Position Report: The Final Vacant Position report was run on July 3, 2003. There were 4,497 positions identified and abolished effective July 1, 2003. The distribution of the report to departments was delayed due to Budget Letter 03-17 issued July 1, 2003 which changed our letter of instructions regarding the process to reestablish these positions. Basically, the Budget Letter indicates that departments should not direct the Controller's Office to reestablish any positions pursuant to GC

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Section 12439 (C) without first obtaining approval from the Director of Finance. As such, we modified our instructions and subsequently mailed the reports to the respective departments.

General Salary Increase (GSI): Historically, we receive Pay Letters from DPA requesting salary increases based on agreements reached between the State and various bargaining units. It's our understanding that a Pay Letter is forthcoming and the majority of Civil Service employees will receive a GSI retroactive to July 1, 2003. However, as of today (August 13, 2003), we have not received a Pay Letter from DPA.

Duplicate W-2's: Effective July 1, 2003, we increased the fee for issuing a duplicate W-2 from \$7.50 to \$8.50 to offset the increased cost for producing these forms. We have updated our web site, the PPM and we will reflect the new fee on the front of the front of the 2003 Form W-2.

Master Payroll Certification (MPC): We continue to see a number of departments not keying off their MPC. As a result, not only do we receive calls from departments inquiring about transfers and adjustments not issuing, but also, in many cases, we receive unnecessary 674's requesting transfers and adjustments. Since ongoing reminders is not improving this problem, we are planning to contact the departments when this occurs. In the near future, we will be sending an email note to the department's Transaction Supervisor requesting their immediate attention in resolving this problem. Also, we will continue to monitor each department to ensure we eliminate this extra workload.

QUESTIONS/ANSWERS:

Question: Why do we sometimes get different information on the system at different times during the day?

Answer: A very few times over the years, we have had Electronic Data Processing errors that have caused erroneous information to be displayed on the Payment History system for brief periods of time. As soon as we became aware of this, the system was shut down and the problem was corrected.

Question: Do we still get the suspended transaction and suspended payment listings?

Answer: We are going to make these listings available to you on-line via View Direct. We will sending out a Payroll Letter in the near future explaining this as well as the benefit of clearing these items. Also, at some point after you receive these lists, we will be deleting all payments suspended for pay periods older than one year.

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Question: When will the IDLS calculator be updated with the new account codes?

Answer: The calculator is updated with the new account codes now.

Question: Why did you change the sort on the Retro activity report? It is horrible and it makes our job much harder.

Answer: According to PPSD's analytical unit that implemented the changes, they thought the new sort would be more user friendly. Based on the number of PPRC members in favor of changing the sort, we'll look make a request to change the sort.

Question: How can we key our planned overtime for the firefighters when we do not know if they are getting a GSI. We pay these payments prior to the regular pay. If we key them at the current rate then we will have to do 674s to have PPSD to issue adjustments.

Answer: If the GSI has not been installed prior to the date you need to key these payments, then 674s or a request to have PPSD automate the adjustments are the only methods available.

Closing:

The meeting was adjourned at 3:30 PM.

The PPRC encourages attendance by department representatives interested in improving the efficiency of personnel/payroll administration. However, if you are unable to attend these meetings and you have an issue or question you would like the committee to address, please contact Don Ward with pertinent information.

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Next Meeting:

The next meeting is Thursday, August 14, 2003 from 1:30 to 3:30 at:

State Controller's Office
300 Capitol Mall, 6th Floor, Room 635
Sacramento, CA 95814

Listed below are the PPRC meeting dates for the 2003 calendar year. All meetings are from 1:30 to 3:30 at the above location:

September 11, 2003
October 9, 2003
November 13, 2003
December 11, 2003

Should you have any questions regarding the PPRC meetings or have additional input, please contact Don Ward at (916) 322-8805 or via email at dward@sco.ca.gov.